

FINANCIAL SUMMARY (Unaudited)

Years ended December 31,	2004	2003	2002	2001	2000
BALANCE SHEETS					
Assets					
Utility plant, net	\$ 1,408,183,614	\$ 1,390,857,362	\$ 1,345,435,582	\$ 1,300,035,639	\$ 1,242,167,417
Capitalized purchased power commitment	35,662,876	45,130,152	50,279,621	56,947,942	65,855,587
Restricted assets	123,718,739	159,432,145	240,881,958	243,432,809	73,780,909
Current assets	252,414,183	178,234,062	190,990,153	155,835,416	146,129,452
Other assets	206,203,653	286,898,970	377,433,352	454,709,681	113,755,299
Total assets	\$ 2,026,183,065	\$ 2,060,552,691	\$ 2,205,020,666	\$ 2,210,961,487	\$ 1,641,688,664
Liabilities & Equity					
Long-term debt, net	\$ 1,459,292,622	\$ 1,462,609,162	\$ 1,365,447,879	\$ 1,683,202,477	\$ 1,023,192,505
Noncurrent liabilities	45,010,305	55,717,497	67,994,521	63,771,698	63,952,994
Current liabilities	185,063,263	215,129,588	452,101,465	143,606,465	179,361,400
Deferred credits	32,929,702	36,970,209	21,216,712	20,255,473	1,715,984
Equity	303,887,173	290,126,235	298,260,089	300,125,374	373,465,781
Total liabilities & equity	\$ 2,026,183,065	\$ 2,060,552,691	\$ 2,205,020,666	\$ 2,210,961,487	\$ 1,641,688,664
STATEMENTS OF REVENUES AND EXPENSES					
Operating Revenues					
Residential	\$ 199,218,447	\$ 199,071,882	\$ 211,964,191	\$ 178,129,446	\$ 148,343,023
Non-residential	376,864,821	352,045,349	351,755,083	299,379,093	239,958,182
Unbilled revenue - net change	608,976	1,115,683	(1,287,056)	25,928,733	3,277,080
Total retail power revenues	576,692,244	552,232,914	562,432,218	503,437,272	391,578,285
Short-term wholesale power revenues ^{A, C}	163,264,753	137,650,966	102,082,572	73,899,346	99,168,112
Other power-related revenues ^A	20,027,768	34,082,244	20,385,528	44,303,333	11,101,230
Other	17,933,824	15,039,174	12,991,925	10,814,019	3,781,072
Total operating revenues	777,918,589	739,005,298	697,892,243	632,453,970	505,628,699
Operating Expenses					
Long-term purchased power ^A	229,416,360	240,505,211	222,943,642	151,213,357	79,304,610
Short-term wholesale power purchases ^{A, C}	49,714,393	24,232,720	12,440,806	218,781,800	212,402,254
Amortization of deferred power costs	100,000,000	100,000,000	100,000,000	-	-
Other power expenses	7,074,410	21,139,577	8,147,996	16,143,942	5,504,322
Generation	20,283,509	20,210,903	18,546,296	17,012,159	25,665,927
Transmission ^A	36,282,986	34,511,283	35,352,620	25,820,801	21,726,234
Distribution	40,972,862	39,116,032	37,649,578	38,122,827	34,523,307
Customer service	33,680,968	31,068,350	27,566,006	27,539,641	22,179,214
Conservation	11,237,221	11,014,634	9,514,572	8,887,010	6,972,547
Administrative and general	46,042,690	47,392,441	40,315,378	40,030,657	37,020,250
Taxes	61,444,670	61,606,324	60,173,889	52,565,660	42,860,055
Depreciation	73,852,844	69,270,029	66,485,780	61,538,960	55,498,917
Total operating expenses	710,002,913	700,067,504	639,136,563	657,656,814	543,657,637
Net operating income (loss)	67,915,676	38,937,794	58,755,680	(25,202,844)	(38,028,938)
Gain on sale of Centralia steam plant	-	-	-	-	29,639,799
Other income (expense), net	1,805,246	36,192	357,968	(1,048,013)	(240,039)
Investment income	2,481,150	3,813,194	10,110,004	13,275,220	9,753,106
Total operating and other income (loss)	72,202,072	42,787,180	69,223,652	(12,975,637)	1,123,928
Interest Expense					
Interest expense	77,323,512	78,272,394	84,933,182	79,584,722	53,651,607
Amortization of debt expense	2,481,087	3,120,011	2,717,316	1,786,694	5,054,837
Interest charged to construction	(3,499,700)	(4,337,717)	(3,592,785)	(5,710,936)	(5,553,780)
Net interest expense	76,304,899	77,054,688	84,057,713	75,660,480	53,152,664
Fees, grants, and transfers ^B					
Fees, grants, and transfers ^B	17,863,765	26,133,654	12,968,776	15,295,710	-
Net income (loss)	\$ 13,760,938	\$ (8,133,854)	\$ (1,865,285)	\$ (73,340,407)	\$ (52,028,736)

^A Beginning in 2001, wholesale power and power-related sales have been recorded as operating revenues. Prior to 2001, these sales were recorded as offsets to power and transmission expenses. Amounts for 2000 were reclassified to conform to the new presentation.

^B Fees, grants, and transfers were reported as nonoperating revenues beginning in 2001 due to the adoption of GASB Statement No. 33. Prior to the implementation of this standard, capital fees from private sources were reported as a component of equity as contributions in aid of construction, while grants and transfers were reported as offsets to expenses.

^C Effective in 2003, wholesale power sales and purchases that are bookouts are reported on a net basis due to the implementation of EITF-0311. Amounts for 2002 were reclassified and amounts for years prior to 2002 have not been reclassified.

Note: Certain other 2003 account balances have been reclassified to conform to the 2004 presentation.

INTEREST REQUIREMENTS AND PRINCIPAL REDEMPTION ON LONG-TERM DEBT (Unaudited)

As of December 31, 2004

Years	Prior Lien Bonds			Subordinate Lien Bonds		Note Payable - City of Seattle ^c	
	Principal	Interest	Total	Principal	Interest ^b	Principal	Interest
2005	\$ 60,151,000	\$ 66,925,532	\$ 127,076,532	\$ 4,445,000	\$ 1,393,100	\$5,158,625	\$257,932
2006	58,660,000	69,569,752	128,229,752 ^a	4,775,000	1,358,954	-	-
2007	61,450,000	66,766,240	128,216,240	5,305,000	1,277,524	-	-
2008	64,620,000	63,596,352	128,216,352	5,840,000	1,189,644	-	-
2009	67,990,000	60,235,645	128,225,645	6,270,000	1,091,626	-	-
2010	71,525,000	56,698,740	128,223,740	6,705,000	982,202	-	-
2011	66,995,000	53,286,445	120,281,445	7,345,000	890,708	-	-
2012	66,850,000	50,253,820	117,103,820	7,785,000	762,760	-	-
2013	69,585,000	46,714,939	116,299,939	8,425,000	640,241	-	-
2014	70,060,000	43,085,557	113,145,557	8,865,000	515,709	-	-
2015	70,515,000	39,405,533	109,920,533	9,410,000	381,285	-	-
2016	71,250,000	35,637,757	106,887,757	7,755,000	234,095	-	-
2017	71,410,000	31,819,770	103,229,770	2,600,000	165,931	-	-
2018	70,610,000	28,329,019	98,939,019	2,750,000	116,175	-	-
2019	67,640,000	24,667,412	92,307,412	1,300,000	65,388	-	-
2020	65,495,000	21,271,924	86,766,924	1,355,000	39,970	-	-
2021	63,605,000	17,989,443	81,594,443	1,410,000	13,498	-	-
2022	62,495,000	14,822,890	77,317,890	-	-	-	-
2023	62,235,000	11,596,849	73,831,849	-	-	-	-
2024	63,170,000	8,381,356	71,551,356	-	-	-	-
2025	47,625,000	5,255,548	52,880,548	-	-	-	-
2026	41,895,000	2,760,869	44,655,869	-	-	-	-
2027	12,340,000	1,412,950	13,752,950	-	-	-	-
2028	12,945,000	808,944	13,753,944	-	-	-	-
2029	3,790,000	175,288	3,965,288	-	-	-	-
Totals	\$ 1,444,906,000	\$ 821,468,574	\$ 2,266,374,574	\$ 92,340,000	\$ 11,118,812	\$5,158,625	\$257,932

^a Maximum debt service.

^b Based on actual interest rates in effect as of December 31, 2004 ranging from 1.12% to 2.35%.

^c Note Payable is for the purchase of real estate property from City of Seattle Department of Parks and Recreation.

DEBT SERVICE COVERAGE (Unaudited): Prior Lien Bonds

For the years ended December 31,

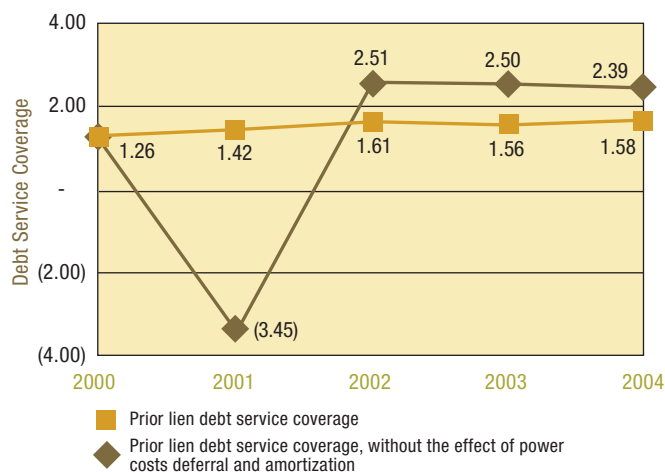
	Revenue Available for Debt Service	Debt Service Requirements	Debt Service Coverage	Debt Service Coverage ^c
2004	\$195,379,163 ^a	\$123,372,836	1.58	2.39
2003	164,482,458 ^a	105,719,316	1.56	2.50
2002	177,824,771 ^a	110,664,535	1.61	2.51
2001	87,604,015 ^b	61,552,303	1.42	(3.45)
2000	104,629,835	83,205,503	1.26	1.26

^a Operation and maintenance expenses in 2004, 2003 and 2002 include \$100 million each year for amortization of a portion of \$300 million in power costs deferred in 2001, reducing revenue available for debt service by that amount.

^b Operation and maintenance expenses in 2001 exclude \$300 million in deferred power costs, incurred in 2001, increasing revenue available for debt service by that amount.

^c Debt Service Coverage computation, without the deferral and subsequent amortization of \$300 million power costs in 2001, for informational purposes only.

Prior Lien Debt Service Coverage



STATEMENT OF LONG-TERM AND SHORT-TERM DEBT (Unaudited)

As of December 31, 2004

Name of Bond	When Due	Interest Rate (%)	Amount Issued	Amount Outstanding	Amount Due Within One Year	Accrued Interest
PRIOR LIEN BONDS						
Series 1995	2005	4.800	\$ 456,000	\$ 456,000	\$ 456,000	\$ 2,369
Series 1996	2005-2006	5.250	2,055,000	2,055,000	1,000,000	23,684
Series 1997	2005-2018	5.000	19,525,000	19,525,000	1,010,000	488,125
Series 1997	2019-2022	5.125	8,575,000	8,575,000		219,734
Series 1998	2005-2008	4.750	18,990,000	18,990,000	4,975,000	451,013
Series 1998	2009-2020	5.000	82,390,000	82,390,000		2,059,750
Series 1998	2005-2019	4.750	56,930,000	56,930,000	2,720,000	230,301
Series 1998	2021	4.875	11,250,000	11,250,000		46,708
Series 1998	2024	5.000	19,205,000	19,205,000		81,780
Series 1999	2006-2007	5.000	6,250,000	6,250,000		55,542
Series 1999	2008-2009	5.750	13,500,000	13,500,000		198,375
Series 2000	2006	5.000	2,875,000	2,875,000		12,242
Series 2000	2007	4.500	3,015,000	3,015,000		11,555
Series 2000	2008	5.250	3,150,000	3,150,000		14,084
Series 2000	2009-2011	5.500	10,505,000	10,505,000		49,206
Series 2000	2012-2018	5.625	32,325,000	32,325,000		154,854
Series 2000	2019	5.250	5,715,000	5,715,000		25,553
Series 2000	2020	5.300	6,015,000	6,015,000		27,150
Series 2000	2021	5.250	6,330,000	6,330,000		28,302
Series 2000	2022-2025	5.400	28,900,000	28,900,000		132,908
Series 2001	2005-2007	5.250	19,405,000	19,405,000	5,645,000	343,340
Series 2001	2008-2010	5.500	41,580,000	41,580,000		770,723
Series 2001	2010-2011	5.250	41,990,000	41,990,000		742,945
Series 2001	2012-2019	5.500	215,175,000	215,175,000		3,988,465
Series 2001	2020	5.000	22,165,000	22,165,000		373,499
Series 2001	2021-2026	5.125	159,650,000	159,650,000		2,757,491
Series 2002	2005-2007	4.000	30,975,000	30,975,000	12,450,000	105,519
Series 2002	2008	4.500	10,230,000	10,230,000		39,206
Series 2002	2009	4.375	10,725,000	10,725,000		39,961
Series 2002	2010	4.500	10,675,000	10,675,000		40,911
Series 2002	2011-2013	4.000	12,930,000	12,930,000		44,047
Series 2002	2014	4.125	4,660,000	4,660,000		16,371
Series 2003	2005	4.000	24,525,000	24,525,000	24,525,000	165,307
Series 2003	2006-2013	5.000	95,975,000	95,975,000		808,629
Series 2003	2014-2020	5.250	58,190,000	58,190,000		514,789
Series 2003	2021-2028	5.000	63,245,000	63,245,000		532,865

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Name of Bond	When Due	Interest Rate (%)	Amount Issued	Amount Outstanding	Amount Due Within One Year	Accrued Interest
Series 2004	2005	3.000	7,370,000	7,370,000	7,370,000	5,492
Series 2004	2006-2010	4.000	32,750,000	32,750,000		32,301
Series 2004	2011	3.250	23,030,000	23,030,000		18,456
Series 2004	2012-2018	5.000	105,575,000	105,575,000		130,161
Series 2004	2019-2021	4.500	53,005,000	53,005,000		58,814
Series 2004	2022-2023	5.000	31,620,000	31,620,000		38,984
Series 2004	2024-2025	5.250	17,315,000	17,315,000		22,415
Series 2004	2026-2029	4.625	14,190,000	14,190,000		16,182
Total Prior Lien Bonds			\$ 1,444,906,000	\$ 1,444,906,000	\$ 60,151,000	\$ 15,920,105

SUBORDINATE LIEN BONDS

Series 1990	2003-2015	0.750-1.200 ^A	\$ 17,600,000	\$ 17,600,000	\$ 1,100,000	\$ 50,631
Series 1991	2003-2016	0.640-1.300 ^A	40,100,000	40,100,000	1,600,000	82,805
Series 1993	2003-2018	0.640-1.230 ^A	16,900,000	16,900,000	1,000,000	20,879
Series 1996	2003-2021	0.600-1.300 ^A	17,740,000	17,740,000	745,000	22,711
Total Subordinate Lien Bonds			\$ 92,340,000	\$ 92,340,000	\$ 4,445,000	\$ 177,026

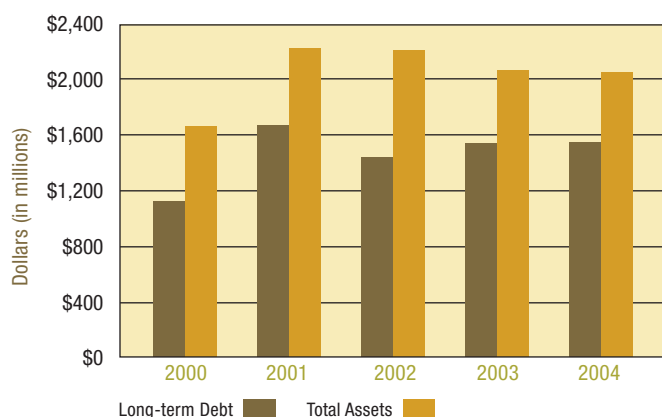
CITY OF SEATTLE

Note Payable	2005	5.000	\$ 5,158,625	\$ 5,158,625	\$ 5,158,625	\$ 128,966
Total Note Payable - City of Seattle			\$ 5,158,625	\$ 5,158,625	\$ 5,158,625	\$ 128,966
Total			\$ 1,542,404,625	\$ 1,542,404,625	\$ 69,754,625	\$ 16,226,097

^A Range of adjustable rates in effect during 2004.

(Concluded)

Long-Term Debt and Total Assets



CUSTOMER STATISTICS (Unaudited)

Years ended December 31,	2004	2003	2002	2001	2000
AVERAGE NUMBER OF CUSTOMERS					
Residential	333,560	330,979	327,127	322,707	316,758
Non-residential					
Commercial	36,610	32,380	31,418	30,934	30,839
Industrial	255	260	263	259	276
Governmental ^A	-	1,826	1,824	1,776	1,686
Transportation ^A	74	-	-	-	-
Total	370,499	365,445	360,632	355,676	349,559

KILOWATT HOURS (IN 000'S)

Residential	33%	2,952,664	33%	2,952,615	34%	3,045,768	34%	3,050,900	34%	3,267,710
Non-residential										
Commercial	57%	5,110,406	44%	3,945,058	43%	3,872,749	42%	3,829,360	41%	3,932,043
Out of service area (commercial) ^B	0%	-	0%	-	0%	-	0%	15,956	1%	96,399
Industrial	10%	915,724	13%	1,166,967	13%	1,165,532	14%	1,237,424	14%	1,352,457
Governmental ^A	0%	-	10%	841,304	10%	839,081	10%	858,111	10%	908,283
Transportation ^A	0%	41,731	0%	-	0%	-	0%	-	0%	-
Total	100%	9,020,525	100%	8,905,944	100%	8,923,130	100%	8,991,751	100%	9,556,892

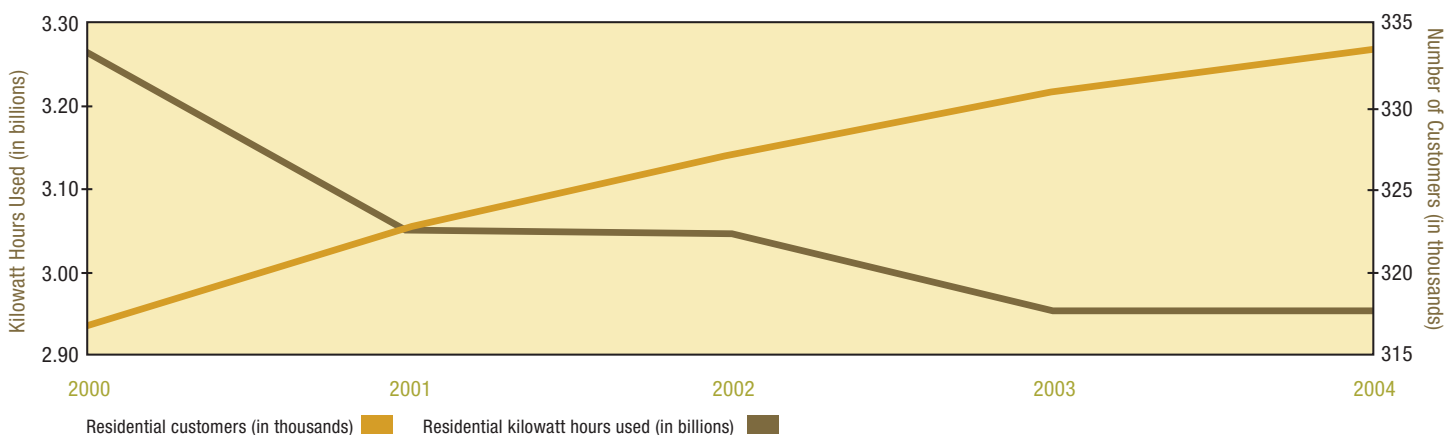
AVERAGE ANNUAL REVENUE PER CUSTOMER (in service area)

Residential	\$	598	\$	602	\$	643	\$	582	\$	476
Non-residential										
Commercial	\$	8,706	\$	7,512	\$	7,638	\$	6,662	\$	4,932
Industrial	\$	219,393	\$	223,177	\$	234,189	\$	243,410	\$	171,125
Governmental ^A	\$	-	\$	28,247	\$	27,772	\$	24,751	\$	19,920
Transportation ^A	\$	36,340	\$	-	\$	-	\$	-	\$	-

^A Data presented to conform with national statistics as compiled by the Energy Information Administration effective 2003.

^B Sales to a commercial customer in California terminated March 31, 2001.

Residential Consumption



CUSTOMER STATISTICS (Unaudited)

Years ended December 31,		2004	2003	2002	2001	2000
AVERAGE ANNUAL CONSUMPTION						
PER CUSTOMER (kWhs) ^A						
Residential	- Seattle	8,852	8,921	9,311	9,454	10,316
	- National	n/a	10,876	10,880	10,520	10,674
Non-residential						
Commercial	- Seattle	139,590	121,836	123,265	124,307	130,628
	- National	n/a	72,114	73,065	72,902	73,540
Industrial	- Seattle	3,591,075	4,488,335	4,431,681	4,777,699	4,900,207
	- National	n/a	1,400,473	1,633,020	1,678,777	2,021,139
Governmental ^B	- Seattle	n/a	460,736	460,022	483,171	538,721
	- National	n/a	n/a	n/a	n/a	n/a
Transportation ^B	- Seattle	563,932	n/a	n/a	n/a	n/a
	- National	n/a	5,463,700	n/a	n/a	n/a

AVERAGE RATE PER KILOWATT

HOURLY (CENTS) ^A

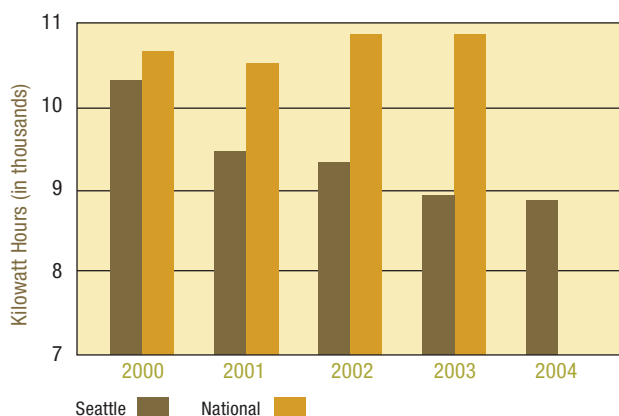
Residential	- Seattle	6.75	6.75	6.90	6.16	4.61
	- National	8.94	8.70	8.46	8.62	8.24
Non-residential						
Commercial	- Seattle	6.24	6.17	6.20	5.36	3.78
	- National	8.17	7.98	7.86	7.93	7.43
Industrial	- Seattle	6.11	4.97	5.28	5.09	3.49
	- National	5.11	5.13	4.88	5.04	4.64
Governmental ^B	- Seattle	n/a	6.13	6.04	5.12	3.70
	- National	n/a	n/a	6.73	7.03	6.56
Transportation ^B	- Seattle	6.44	n/a	n/a	n/a	n/a
	- National	6.48	7.58	n/a	n/a	n/a
All Sectors	- Seattle	6.39	6.20	6.30	5.57	4.01
	- National	7.57	7.42	7.21	7.32	6.81

^A Source of national data: Department of Energy (2004 average annual consumption data is not available; 2004 average rate data preliminary; 2003-2000 revised).

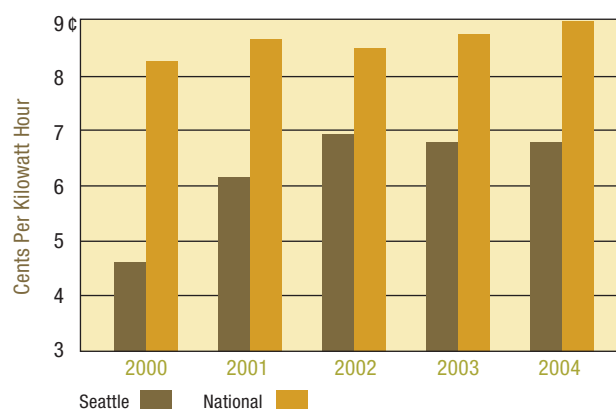
^B Data presented to conform with national statistics as compiled by the Energy Information Administration effective 2003.

NOTE: The most recent rate adjustment was effective April 1, 2004. Rates are set by the Seattle City Council. Notice of public hearings on future rate actions may be obtained on request to The Office of the City Clerk, City Hall, 600-4th Avenue, Floor Three, Seattle, WA 98104. Additional information about public hearings can be found on the Web at http://www.cityofseattle.net/council/hearings_forums.htm. Additional information about Council meetings can be found on the Web at <http://www.seattle.gov/council/meetings.htm>.

Average Annual Residential Consumption



Average Residential Rates



POWER (Unaudited)

Years ended December 31,	2004	2003	2002	2001	2000
POWER COSTS					
Hydraulic generation ^A	\$ 31,565,553	\$ 31,035,885	\$ 28,983,385	\$ 27,425,917	\$ 28,288,083
Steam generation ^{A,B}	-	-	-	-	7,521,097
Long-term purchased power ^C	229,416,359	240,505,211	222,943,642	151,213,357	79,304,610
Wholesale power purchases ^{D,I}	49,830,186	38,121,479	14,306,336	518,781,800	212,402,254
Power costs amortized (deferred) ^E	100,000,000	100,000,000	100,000,000	(300,000,000)	-
Owned transmission ^A	8,390,826	7,358,577	7,171,946	6,768,055	5,775,106
Wheeling expenses	30,946,681	30,102,277	31,065,472	21,906,286	18,431,914
Other power expenses	6,958,618	7,250,818	6,282,466	16,143,942	5,504,322
Total power costs	457,108,223	454,374,247	410,753,247	442,239,357	357,227,386
Less short-term wholesale power sales ^D	(163,264,753)	(137,650,966)	(102,082,572)	(73,899,346)	(99,168,112)
Less other power-related revenues ^F	(20,027,768)	(34,082,244)	(20,385,528)	(44,303,333)	(11,101,230)
Net power costs ^H	\$ 273,815,702	\$ 282,641,037	\$ 288,285,147	\$ 324,036,678	\$ 246,958,044
POWER STATISTICS (MWh)					
Hydraulic generation ^D	6,019,707	6,098,753	6,891,659	3,941,388	6,405,929
Steam generation ^B	-	-	-	-	277,103
Long-term purchased power ^C	7,065,646	6,985,518	6,519,770	4,307,958	3,418,245
Wholesale power purchases ^D	2,386,232	1,210,699	898,613	2,411,210	2,459,825
Wholesale power sales ^D	(5,277,361)	(4,262,041)	(4,647,945)	(468,827)	(2,230,670)
Other ^G	(1,173,699)	(1,126,985)	(738,967)	(1,199,978)	(773,540)
Total power delivered to retail customers	9,020,525	8,905,944	8,923,130	8,991,751	9,556,892
Net power cost per MWh delivered ^H	\$ 30.35	\$ 31.74	\$ 32.31	\$ 36.04	\$ 25.84

^A Including depreciation.

^B The Centralia Steam Plant was sold in May 2000.

^C Long-term purchased power includes energy received under seasonal exchange contracts, valued at the blended weighted average cost of power excluding depreciation and transmission.

^D The level of generation (and consequently the amount of power purchased and sold on the wholesale market) can fluctuate widely from year to year depending upon water conditions in the Northwest region. For the past five years, the Northwest has experienced lower than average water conditions with 2001 considered a severe drought year.

^E Wholesale power purchase costs in the amount of \$300,000,000 incurred in 2001 were deferred to years 2002, 2003 and 2004.

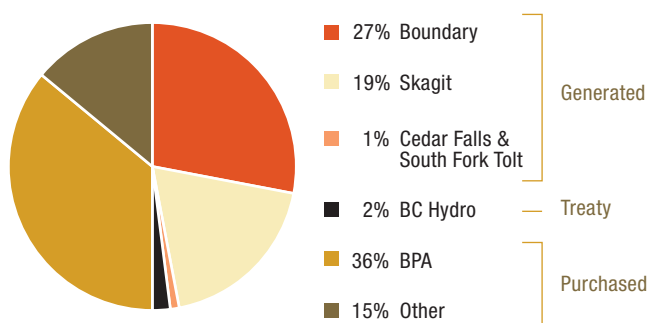
^F Other power-related revenues include energy delivered under seasonal exchange contracts, valued at the blended weighted average cost of power excluding depreciation and transmission.

^G "Other" includes self-consumed energy, system losses, seasonal exchange power delivered, and miscellaneous power transactions.

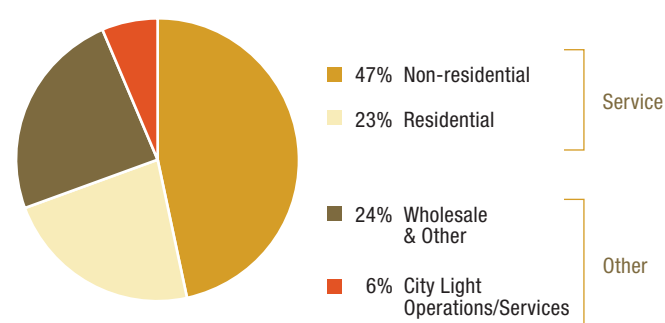
^H If power costs had not been deferred in 2001, the net power cost per MWh delivered would have been \$19.27 in 2004, \$20.51 in 2003, \$21.10 in 2002, and \$69.41 in 2001.

^I Effective in 2003, breakout purchases are excluded from wholesale power purchases and are reported on a net basis in wholesale power sales due to the implementation of EITF-0311. Amounts for years prior to 2002 have not been reclassified.

Sources of Power (in percent of MWh)



Uses of Power (in percent of MWh)



CHANGES IN OWNED TOTAL GENERATING INSTALLED CAPABILITY (Unaudited)

Year	Plant	KW Added	PeakingCapability
			Total KW
1904-09	Cedar Falls Hydro Units 1, 2, 3 & 4	10,400	10,400
1912	Lake Union Hydro Unit 10	1,500	11,900
1914-21	Lake Union Steam Units 11, 12 & 13	40,000	51,900
1921	Newhalem Hydro Unit 20	2,300	54,200
1921	Cedar Falls Hydro Unit 5	15,000	69,200
1924-29	Gorge Hydro Units 21, 22 & 23	60,000	129,200
1929	Cedar Falls Hydro Unit 6	15,000	144,200
1932	Cedar Falls Hydro Units 1, 2, 3 & 4	(10,400) ^A	133,800
1932	Lake Union Hydro Unit 10	(1,500) ^A	132,300
1936-37	Diablo Hydro Units 31, 32, 35 & 36	132,000	264,300
1951	Georgetown Steam Units 1, 2 & 3	21,000	285,300
1951	Gorge Hydro Unit 24	48,000	333,300
1952-56	Ross Hydro Units 41, 42, 43 & 44	450,000	783,300
1958	Diablo Plant Modernization	27,000	810,300
1961	Gorge Hydro, High Dam	67,000	877,300
1967	Georgetown Plant, performance test gain	2,000	879,300
1967	Boundary Hydro Units 51, 52, 53 & 54	652,000	1,531,300
1972	Centralia Units 1 & 2	102,400	1,633,700
1980	Georgetown Steam Units 1, 2, & 3	(23,000) ^A	1,610,700
1986	Boundary Hydro Units 55 & 56	399,000	2,009,700
1987	Lake Union Steam Units 11, 12 & 13	(40,000) ^A	1,969,700
1989-92	Gorge Units 21, 22, & 23, new runners	4,600	1,974,300
1993	Centralia Transmission Upgrade	5,000	1,979,300
1995	South Fork Tolt	16,800	1,996,100
2000	Centralia Units 1 & 2	(107,400) ^B	1,888,700

^A Retirement of units (decrease in total capability).

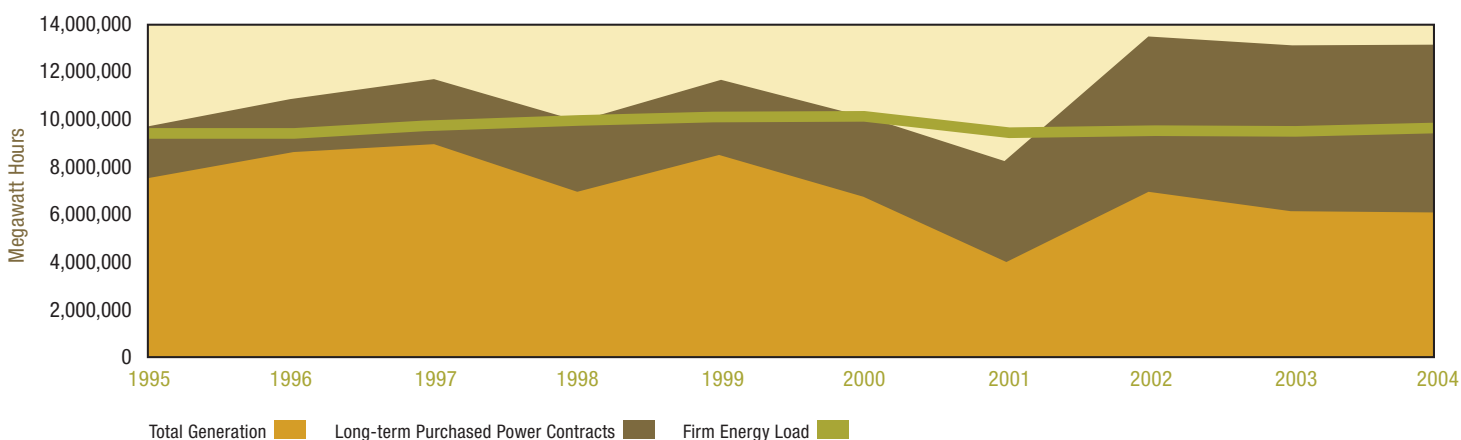
^B The Centralia Steam Plant was sold in May 2000.

SYSTEM REQUIREMENTS (Unaudited)

Year	Kilowatts	
	Average Load	Peak Load ^C
1950	154,030	312,000
1955	381,517	733,000
1960	512,787	889,000
1965	635,275	1,138,000
1970	806,813	1,383,000
1975	848,805	1,429,387
1980	963,686	1,771,550
1985	1,025,898	1,806,341
1990	1,088,077	2,059,566
1991	1,065,987	1,815,164
1992	1,048,055	1,743,975
1993	1,082,616	1,875,287
1994	1,074,852	1,819,323
1995	1,072,692	1,748,657
1996	1,110,133	1,950,667
1997	1,111,035	1,816,152
1998	1,120,178	1,928,854
1999	1,142,382	1,729,933
2000	1,142,383	1,769,440
2001	1,082,068	1,661,842
2002	1,087,519	1,689,666
2003	1,087,901	1,645,998
2004	1,088,448	1,798,926

^C One-hour peak.

Total Generation and Long-Term Purchased Power Contracts vs. Firm Load

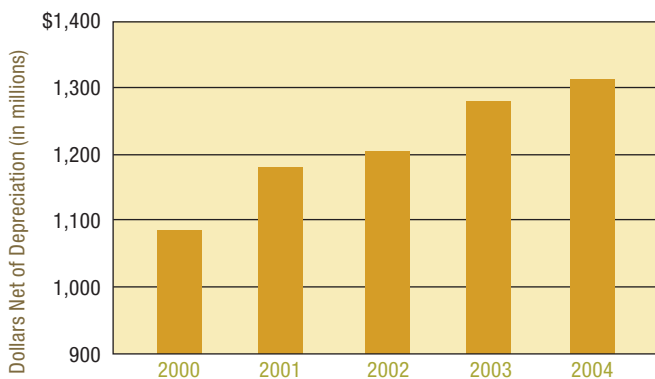


UTILITY PLANT, AT ORIGINAL COST (Unaudited)

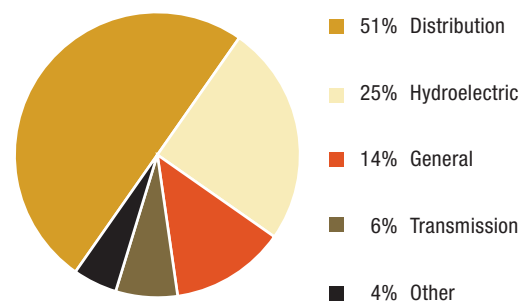
Years ended December 31,	2004	2003	2002	2001	2000
Hydroelectric plant ^A	\$ 602,003,111	\$ 581,316,129	\$ 548,545,811	\$ 542,541,330	\$ 531,705,122
Transmission plant ^A	149,905,533	149,004,899	142,863,829	140,352,499	135,787,595
Distribution plant ^A	1,212,358,103	1,151,824,817	1,075,113,770	1,022,638,123	953,429,070
General plant ^A	325,885,571	310,305,883	298,815,388	280,149,800	218,149,068
Total electric plant in service	2,290,152,318	2,192,451,728	2,065,338,798	1,985,681,752	1,839,070,855
Accumulated depreciation	(980,740,177)	(914,978,513)	(862,964,940)	(808,183,648)	(756,498,166)
Total plant in service, net of depreciation	1,309,412,141	1,277,473,215	1,202,373,858	1,177,498,104	1,082,572,689
Nonoperating properties, net of depreciation	13,112,083	11,860,650	7,703,571	7,216,228	6,613,263
Utility plant, net of depreciation	1,322,524,224	1,289,333,865	1,210,077,429	1,184,714,332	1,089,185,952
Construction work-in-progress	85,659,390	101,523,497	135,358,152	115,321,307	152,981,465
Net utility plant	\$ 1,408,183,614	\$ 1,390,857,362	\$ 1,345,435,582	\$ 1,300,035,639	\$ 1,242,167,417

^A Including land.

Utility Plant in Service, at Original Cost



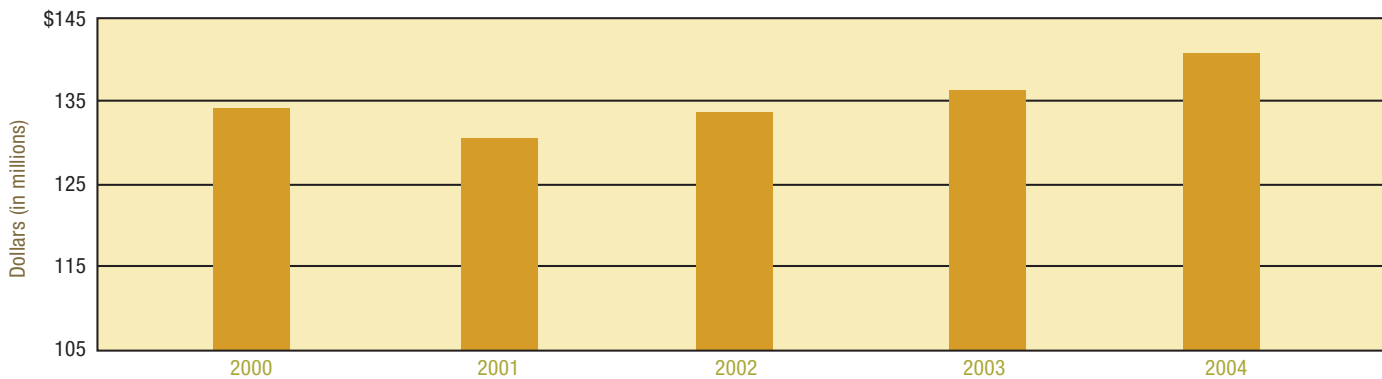
2003 Utility Plant, at Original Cost



PAYROLL AND EMPLOYEE BENEFITS (Unaudited)

Years ended December 31,	2004	2003	2002	2001	2000
Full-time equivalent positions	1,593	1,625	1,618	1,628	1,647
Straight time	\$ 81,140,975	\$ 80,138,335	\$ 77,516,850	\$ 75,801,957	\$ 74,286,122
Overtime	9,972,573	10,625,974	9,744,907	9,431,112	16,287,675
Vacation and other	17,142,100	16,486,348	16,035,490	16,635,444	15,680,918
Total payroll	108,255,648	107,250,657	103,297,247	101,868,513	106,254,715
Employee benefits	32,002,319	28,657,452	29,956,272	28,306,941	27,336,784
Total payroll and employee benefits	\$ 140,257,967	\$ 135,908,109	\$ 133,253,519	\$ 130,175,454	\$ 133,591,499
Percentage of employee benefits (including vacation) to straight time	60.6%	56.3%	59.3%	59.3%	57.9%

Payroll and Employee Benefits



TAXES AND CONTRIBUTIONS TO THE COST OF GOVERNMENT (Unaudited)

Years ended December 31,	2004	2003	2002	2001	2000
Taxes					
City of Seattle occupation tax	\$ 34,488,319	\$ 33,607,729	\$ 33,913,510	\$ 30,648,910	\$ 24,002,685
State public utility and business taxes	21,614,097	23,079,374	22,035,382	19,555,852	15,631,467
Local franchise and other payments ^A	3,077,704	2,706,490	2,079,791	295,474	1,161,177
Contract payments for government services	2,264,550	2,212,731	2,145,206	2,065,424	2,064,726
Total taxes as shown in statement of revenues and expenses	61,444,670	61,606,324	60,173,889	52,565,660	42,860,055
Taxes/licenses charged to accounts other than taxes	9,617,766	10,323,591	9,801,000	8,291,537	9,012,216
Other contributions to the cost of government	2,587,783	4,586,025	4,067,380	3,582,034	4,422,403
Total miscellaneous taxes	12,205,550	14,909,616	13,868,380	11,873,571	13,434,619
Total taxes and contributions	\$ 73,650,219	\$ 76,515,940	\$ 74,042,269	\$ 64,439,231	\$ 56,294,674

Note: Electric rates include all taxes and contributions. The State Public Utility Tax rate for retail electric power sales was 3.873%. The City of Seattle Occupation Utility Tax rate was 6% for in-state retail electric power sales and 5% for out-of-state retail electric power sales.

^A 2001 includes a refund of \$1,224,200 previously paid to the Federal Government as arbitrage rebate payments related to the Municipal Light & Power Revenue Bonds, 1986 and 1988.

PUBLIC PURPOSE EXPENDITURES (Unaudited)

Years ended December 31,	2004	2003	2002	2001	2000
CONSERVATION ^A					
Non-programmatic conservation expenses ^B	\$ 1,319,856	\$ 1,299,856	\$ 1,273,584	\$ 1,806,864	\$ 1,903,001
Conservation programs ^C					
Non-low income	16,730,921	15,536,190	15,733,424	23,184,059	13,840,045
Low income	982,655	1,937,624	2,281,547	1,673,698	1,863,892
External conservation funding					
Bonneville Power Administration					
Non-low income	-	-	(17,898)	(4,273)	-
Low income	-	-	-	-	-
Customer obligation repayments ^D	(672,172)	(1,008,724)	(1,465,272)	(1,595,954)	(1,468,189)
LOW-INCOME ENERGY ASSISTANCE ^E	6,406,537	7,138,348	7,325,405	5,891,234	3,819,285
NON-HYDRO RENEWABLE RESOURCES ^F	18,521,012	12,111,616	7,475,003	381,279	238,015
Net public purpose spending	\$ 43,288,809	\$ 37,014,910	\$ 32,605,793	\$ 31,336,907	\$ 20,196,049
Revenue from electric sales	\$ 579,043,720	\$ 552,232,914	\$ 562,432,218	\$ 503,437,272	\$ 391,578,285
Percent public purpose spending					
Conservation Only	3.2%	3.2%	3.2%	5.0%	4.1%
Renewables & Low-Income Assistance	4.3%	3.5%	2.6%	1.2%	1.0%
	7.5%	6.7%	5.8%	6.2%	5.2%
Energy savings in year (MW hours) ^G	928,117	889,030	852,730	789,977	711,306

Note: Certain prior year amounts have been revised.

^A Non-programmatic conservation expenditures are expensed. Programmatic conservation expenditures are deferred and amortized over a 20-year period in accordance with City Council passed resolutions.

^B Non-programmatic expenditures include program planning, evaluation, data processing, general administration, and support of energy codes that encourage the adoption of more efficient technologies. These expenses are not associated with measured energy savings.

^C Non-low income programmatic conservation includes expenditures for program measures, customer incentives, field staff salaries, and direct program administration. Low-income programmatic conservation includes the same types of expenditures for the Department's HomeWise and Low-Income Multifamily Programs.

^D Customer obligations repaid in each year include payments on outstanding five-year or ten-year loans, plus discounted repayments in the first year after project completion.

^E Low-income assistance includes rate discounts and other programs that provide assistance to low income customers.

^F Non-hydro renewable resources include cogeneration from the West Point Sewage Treatment plant and power generated from the Stateline Wind Project. Both of these resources are funded from current revenues. In 2004, the Department purchased from the West Point plant approximately 6,027 MWh of energy generated by three reciprocating engines using methane gas from the treatment plant. Total electrical output was purchased under a power purchase contract executed with Metro in 1983, which expired in September 2003, and was renewed through June 2004. The Department purchased from the Stateline Wind Project: 140,850 MWh in 2002; 220,317 MWh in 2003; and 360,206 in 2004.

^G Electricity savings in each year are from cumulative conservation program participants, for completed projects with unexpired measure lifetimes.

Energy Saved Through Conservation

